



FOR IMMEDIATE RELEASE

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UGI STATEMENT REGARDING THE PA PUBLIC UTILITY COMMISSION'S ALLENTOWN COMPLAINT

READING, PA, June 11, 2012 – UGI Utilities, Inc. (UGI) today acknowledged that it had received the Complaint released by the Pennsylvania Public Utility Commission (PUC) regarding the natural gas explosion that occurred in Allentown on February 9, 2011.

UGI will respond within the specified time-frame, and looks forward to the opportunity to present its position in the appropriate forum.

UGI customers and residents of communities that UGI serves can be assured that the Company receives gas from its suppliers that is properly pre-odorized. The odorant is a substance called Mercaptan, which has a smell like rotten eggs.

UGI routinely monitors the gas in its distribution system to ensure proper odorization levels are maintained. UGI also regularly checks its system to ensure safe operation and system integrity. In fact, odorization testing was conducted across UGI's Lehigh operations area on February 7, 2011 -- two days before the Allentown incident. Additional odorant testing was conducted on February 10, 2011, the day following the Allentown explosion. In both cases, odorant levels of natural gas in the area exceeded applicable federal and state requirements for detectability.

UGI has been diligently working on the investigation and remediation process for the past fifteen months. UGI cooperated fully with the PUC by providing resources and logistical support to assist the PUC in its investigation into the February 9 Allentown incident. UGI's support included arranging tests by PUC-approved laboratories of materials involved in the February 9 incident. Representatives of a number of parties impacted by the explosion were also provided the opportunity to witness and even participate in the testing. The testing process was comprehensive and included tests on odorant levels. Additional tests requested by the PUC were conducted by the testing laboratories.

UGI knows that it is the Company's responsibility to safely deliver natural gas to our customers. We take our responsibility seriously. Our customers and the communities that we serve can be confident that we will continue to commit the resources necessary to ensure a safe and reliable natural gas delivery system. Since 1995, UGI Gas has spent over \$295 million to replace infrastructure. We have accelerated the replacement of our cast iron systems over the past 5 years and have made a commitment to the PUC to replace all cast iron over the next 20 years. UGI will continue to work closely and constructively with the PUC on the finalization and implementation of a comprehensive set of programs to enhance gas system safety.

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